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SUPPLEMENTAL SECURITY AGREEMENT NO. ONE
LOAN #2023195-001

This Supplemental Security Agreement is executed by **WATCO, Inc., Co-Borrower** and **Inman Service Company, Inc., Co-Borrower** ("Borrower") pursuant to the terms of a Loan and Security Agreement dated October 24, 1995 between Borrower and MetLife Capital Corporation ("Lender"). All capitalized terms used herein that are not otherwise defined herein shall have the respective meanings given to such terms in the Loan and Security Agreement.

In order to provide security for the payment and performance of Borrower's obligations under the Loan Documents, Borrower has granted to Lender a first priority security interest in the Collateral. In addition to said grant, Borrower intends by this Supplemental Security Agreement to grant to Lender a first priority security interest in the items of Equipment identified herein.

1. To further secure the payment and performance of all of Borrower's obligations to lender under the Loan Documents, Borrower hereby grants to Lender a first priority security interest in the items of Collateral described below, including all present and future additions, attachments and accessories thereto, all substitutions therefor and replacements thereof and all proceeds thereof, including all proceeds of insurance:

Qty.	Model/Mfr.	Description	Serial No.	Cost or Appraised Value
7	GP35	Locomotive	3030, 3031, 3040, 3046, 6606, 6628, and 6629	\$465,500.00
1	GP30	Locomotive	3002	84,500.00
2	GP40	Locomotive	3144 and 3145	<u>140,000.00</u>
TOTAL				\$690,000.00

2. Borrower hereby (a) affirms that the representations and warranties set forth in Section 5 of the Loan and Security Agreement are true and correct as of the date hereof; (b) represents and warrants that Lender has a first priority security interest in the Collateral; and (c) represents and warrants that the above described equipment will be maintained at the following location(s):

1230 So. Walnut
Coffeyville, KS 67337

3. The Loan Amount for loans to be made pursuant to this Supplemental Security Agreement is **\$690,000.00**.
4. The Commitment Expiration Date for loans to be made pursuant to this Supplemental Security Agreement is **December 31, 1995**.
5. The amount of liability insurance required to be maintained by Borrower pursuant to Section 6(d) of the Loan and Security Agreement is **\$2,000,000.00**.
6. All of the terms and provisions of the Loan and Security Agreement are hereby incorporated in and made a part of this Supplemental Security Agreement to the same extent as if fully set forth herein.

In witness whereof, Borrower has executed and delivered this Supplemental Security Agreement this 24th day of October, 1995.

Borrower: WATCO, Inc., Co-Borrower

By: Charles R. Webb

(Print Name) Charles R. Webb

Title: President

Borrower: Inman Service Company, Inc., Co-Borrower

By: Donald D. Orender

(Print Name): Donald D. Orender

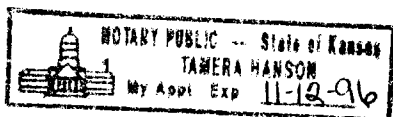
Title: Controller / CFO

ACKNOWLEDGEMENT

State of Kansas

County of Crawford

On this 24th day of October, 1995 before me, a Notary Public, personally appeared Charles R. Webb, President ~~and~~ _____ respectively of **WATCO, Inc.** who executed the foregoing instrument and acknowledged that said instrument was the free and voluntary act, for the uses and purposes therein mentioned.



Tamera Hanson
NOTARY PUBLIC
My commission expires: Nov. 12, 1996

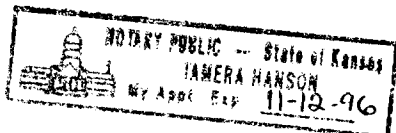
[NOTARIAL SEAL]

ACKNOWLEDGEMENT

State of Kansas

County of Crawford

On this 24th day of October, 1995 before me, a Notary Public, personally appeared Donald D. Orender, Controller / CFO ~~and~~ _____ respectively of **Inman Services Company, Inc.** who executed the foregoing instrument and acknowledged that said instrument was the free and voluntary act, for the uses and purposes therein mentioned.



Tamera Hanson
NOTARY PUBLIC
My commission expires: Nov. 12, 1996

[NOTARIAL SEAL]